

## **INSURANCE REQUIREMENTS**

**I. Requirements Applicable to Public Providers (e.g., Community Service Boards and County Boards of Health)** The following shall be adhered to by public providers throughout the term of the contract, any renewal thereof, and as otherwise specified herein:

A. Insurance Certificate: The Provider shall procure and maintain insurance which shall protect the Provider and the State from any claims for bodily injury, property damage, or personal injury which may arise out of operations under the Contract. The Provider shall procure the insurance policies at the Provider's own expense and shall furnish the State an insurance certificate listing the State as certificate holder. The insurance certificate must document that the liability insurance coverage purchased by the Provider includes contractual liability coverage to protect the State. In addition, the insurance certificate must provide the following information:

1. Name and address of authorized agent,
2. Name and address of insured,
3. Name of insurance company (licensed to operate in Georgia),
4. Description of coverage in standard terminology,
5. Policy period,
6. Limits of liability,
7. Name and address of certificate holder,
8. Acknowledgment of notice of cancellation to the State,
9. Signature of authorized agent,
10. Telephone number of authorized agent,
11. Details of policy exclusions in comment section of Insurance Certificate.

B. The Provider also agrees to adopt a resolution requesting D.O.A.S. to provide insurance coverage to document that the following types of insurance coverage have been purchased by the Provider :

1. Workers' Compensation Insurance

To insure the statutory limits as established by the General Assembly of the State of Georgia (NOTE: A self-insurer must submit a certificate from the Georgia State Board of Workers' compensation stating the Provider qualifies to pay its own workers' compensation claims.) The Workers' Compensation Policy must include Coverage B - Employer's Liability Limits of:

Bodily Injury by Accident -	\$ 500,000 each accident
Bodily Injury by disease -	\$ 500,000 each employee
	\$1,000,000 policy limits

Provider shall require all Subcontractors performing work under his Contract to obtain an insurance certificate showing proof of Workers' Compensation Coverage.

2. Commercial General Liability Policy:\*

Combined Single Limits:      \$1,000,000 per person  
   \$3,000,000 per occurrence

The Commercial General Liability Policy must insure provider's officers, board members and employees in their individual capacities and must be on an "occurrence" basis.

\*A Comprehensive General Liability Policy may be substituted for the Commercial General Liability Policy if the Comprehensive General Liability Policy has been endorsed to insure contractual liability, broad form property damage, and personal injury liability.

3. Business Automobile Liability Policy:

Combined Single Limits:      \$1,000,000 per Person  
   \$3,000,000 per Occurrence

All policies must be on an "occurrence" basis, unless expressly otherwise stated.

- C. The foregoing policies shall contain a provision that coverage will not be canceled or allowed to lapse until at least thirty (30) days prior written notice has been given to DHR. Certificates of Insurance showing such coverage to be in force, or a resolution requesting D.O.A.S. to assist in the purchase, shall be filed with DHR prior to commencement of any work under this Contract. The foregoing policies shall be obtained from D.O.A.S. (with the consent and approval of D.O.A.S.) or insurance companies licensed to do business in Georgia and acceptable to DHR. Evidence of insurability under these provisions shall be directed to the Department's Office of Support Services. It shall be the responsibility of the Provider to require any Subcontractor to indemnify and hold harmless the Regional Office, Regional Planning Board, the Division, DHR and the State; to secure insurance coverage sufficient to cover possible liability, and to obtain a certificate or certificates evidencing that such insurance is in effect. In addition, the Provider shall indemnify and hold harmless the Regional Office, Regional Planning Board, the Division, DHR and the State from any liability arising out of the Provider's or Subcontractor's untimely failure to secure adequate insurance coverage as prescribed herein. All such

coverage shall remain in full force and affect during the initial term of the Contract and any renewal or extension thereof.

- D. At the request of the Department's Office of Support Services, the Provider will supply all necessary underwriting data for the purchase of insurance coverage through the Department of Administrative Services

(D.O.A.S.), including workers' compensation, unemployment insurance, general liability, vehicle liability, fidelity bond and property insurance. The Provider will remit in a timely manner required premiums for vehicle liability and fidelity bond insurance to the Department Office of Support Services.

- E. For insurance coverage provided by the D.O.A.S., the D.O.A.S. shall have the authority to examine and copy any records of the Provider to facilitate the investigation of any claim covered by such insurance. The Provider shall make available to D.O.A.S. all such records incidental to any investigation of a claim notwithstanding any other provisions of law which designates such records as confidential or which prohibits disclosure of such records; provided, that D.O.A.S. shall be bound by such provisions of law and shall not make further disclosure of such records.

**II. Requirements Applicable to Private Providers** The following shall be adhered to by private provides throughout the term of the contract, any renewal thereof, and as otherwise specified herein:

- A. Insurance Certificate: The Contractor shall, at its expense, procure a Commercial General Liability Insurance Policy, including personal and advertising liability (or a Comprehensive General Liability Policy) with endorsement to insure contractual liability, broad form property damage, personal injury, personal and advertising liability, and other insurance policies in coverage amounts of \$3 million per occurrence and \$1 million per person, with endorsement waiving right of subrogation against the State, the Indemnities, the Fund and insurers participating thereunder.
- B. Fidelity Assurance Bonds: Private Non-Profit Contractors who are requesting an advance of funds under the contract MUST be bonded. The bond may be a blanket bond covering all contract positions, or it may be a position bond, listing specific positions. If a position bond is used, each position scheduled must be for the minimum amount required. While it is customary to list the chief executive officer on the bond, the bond must cover anyone handling funds or authorizing expenditures. The bond must be

made payable to the State of Georgia, Department of Human Resources or payable jointly to the Contractor and DHR. If the Contractor has a very large bond covering its entire operation, it can assign, through an endorsement or rider, the required portion of the bond to DHR.

The bond amount is determined by calculating the total amount of the contract (total amount is inclusive of local match, donor funds, in-kind match, certified costs, certified public expenditure, certified cash transfers, budgeted State and Federal funds) by the percentage listed below and comparing that to the amount of the advance. The larger of the two figures must be the amount of the bond. The Contractor will submit to the Regional Board a binder, certificate of insurance or a copy of the bond. If a binder letter is used, the binder must include the name of the bonding company, bond number, period of coverage, amount of coverage, who is covered, and statement that the bond is payable to DHR or jointly payable to DHR and the Contractor.

### **III. Fidelity/Assurance Bond Schedule**

<u>Total Contract Budget</u>	<u>Amount of Bond</u>
up to \$50,000	25%
\$50,000 to 54,999	24%
\$55,000 to 59,999	23%
\$60,000 to 64,999	22%
\$65,000 to 69,999	21%
\$70,000 to 74,999	20%
\$75,000 to 79,999	19%
\$80,000 to 84,999	18%
\$85,000 to 89,999	17%
\$90,000 to 94,999	16%
\$95,000 to 99,999	15%
\$100,000 to 199,999	14%
\$200,000 to 399,999	13%
\$400,000 and up	12%